

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

JOE A. HOOVEN, et al., : CIVIL ACTION
 Plaintiffs, :
 :
 v. :
 :
EXXON MOBIL CORP. and :
MOBIL CORPORATION EMPLOYEE :
SEVERANCE PLAN, :
 Defendants. : NO. 00-CV-5071

MEMORANDUM ORDER

J.M. KELLY, J.

MAY , 2002

Presently before the Court is the Motion of Defendants, Exxon Mobil Corp. and Mobil Corporation Employee Severance Plan (collectively "Exxon Mobil"), to Strike the Jury Demand and Prayer for Punitive Damages of the Plaintiffs' Complaint. Exxon Mobil contends that in a claim for benefits under the Employee Retirement and Income Security Act (ERISA), 29 U.S.C. §§ 1001-1461 (1994), Plaintiffs are not entitled to a jury trial or punitive damages.

Plaintiffs allege that in order to retain them as employees in its Mid-Atlantic Marketing Assets, Mobil Corporation instituted a severance plan that purportedly applied to "Tier 4" employees, such as Plaintiffs. When the Mid-Atlantic Marketing Assets were transferred to a third party, Tosco, a provision of the severance plan that was not in the plan summary excluded Tier 4 employees from the severance plan.

Plaintiffs argue that because Count III of their Complaint

is based upon a federal common law breach of contract, they are entitled to a trial by jury and to seek punitive damages, at least on this count. Section 502(a)(3) of ERISA provides:

A civil action may be brought--
(3) by a participant, beneficiary, or fiduciary (A) to enjoin any act or practice which violates any provision of this subchapter or the terms of the plan, or (B) to obtain other appropriate equitable relief (i) to redress such violations or (ii) to enforce any provisions of this subchapter or the terms of the plan. 29 U.S.C. § 1132(a)(3) (1994).

While Plaintiffs have stated a claim for common law breach of contract under ERISA, the Court must look to the relief Plaintiffs seek in order to determine whether a jury trial or punitive damages are available. In their breach of contract claim, Plaintiffs seek unpaid benefits as provided for in § 502(a)(3). Claims under Section 502(a)(3) of ERISA are equitable in nature and, therefore, not subject to a jury trial. Pane v. RCA Corp., 868 F.2d 631, 636 (3d Cir. 1989), citing Cox v. Keystone Carbon Co., 861 F.2d 390, 393 (3d Cir. 1988).

Similarly, Congress carefully crafted ERISA's civil enforcement provision, thereby making the possibility that Congress inadvertently omitted a remedy "especially suspect." See Massachusetts Mut. Life Ins. Co. v. Russell, 473 U.S. 134, 146, (1985). Thus, it has been consistently held that § 502(a) of ERISA does not authorize punitive damages. See Pane, 868 F.2d at 635 n.2.

Accordingly, It is ORDERED that the Motion of Defendants,

Exxon Mobil Corp. and Mobil Corporation Employee Severance Plan
(Doc. No. 40), is GRANTED. The jury demand and prayer for
punitive damages are stricken from the Plaintiffs' Complaint.

BY THE COURT:

JAMES MCGIRR KELLY, J.